

**U.S. BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIA**

P O L I C Y S T A T E M E N T

RE: APPLICATIONS TO EMPLOY PROFESSIONALS

Bankruptcy Rule 2014(a) was amended in 1987 to require disclosure of a professional's connections with the debtor, creditors, or any other party in interest, and their respective attorneys and accountants. Rule 2014(a) was further amended in 1991 to require disclosure of a professional's connections with the United States trustee or persons employed in the United States trustee's office (see 1991 Advisory Committee Note to Bankruptcy Rule 2014). With this amendment, the pertinent sentence of Bankruptcy Rule 2014(a) now reads as follows:

*The application shall be accompanied by a verified statement of the person to be employed setting forth the person's connections with the debtor, creditors, or any other party in interest, their respective attorneys and accountants, **the United States trustee, or any person employed in the office of the United States trustee.** (emphasis added)*

The purpose of disclosing connections is to promote public confidence in the integrity of the bankruptcy process and the bar through full disclosure.

Proper disclosure must include a verification of the professional which touches all the bases and sets forth in affirmative terms the professional's relationship with the debtor and with creditors and with any other party in interest, and their respective attorneys and accountants, and the United States trustee and any person employed in the office of the United States trustee. Normally, all the bases will have been touched if, after the required disclosures of any actual connections, the verification closes with the statement:

"Except as set forth above, I have no connection with the debtor, creditors, or any other party in interest, their respective attorneys and accountants, or the United States trustee or any employee of the office of the United States trustee."

Applications which fail to meet the requirements of Bankruptcy Rule 2014(a) may be denied without prejudice.